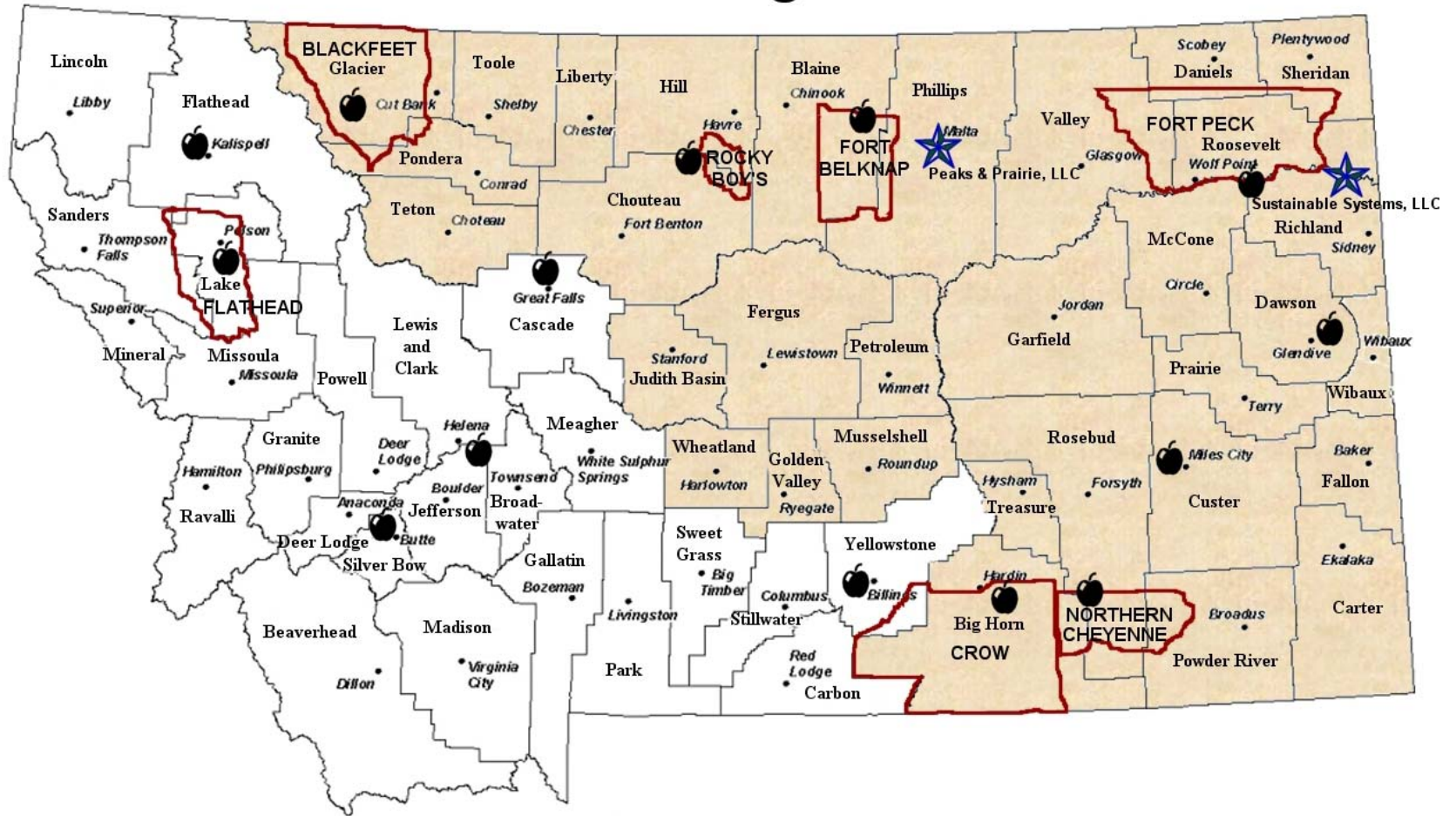




The New Homestead Act : Montanans for Bio-Product Development

WIRED Region



Existing Crushing & Refining Plants



Two-Year Colleges



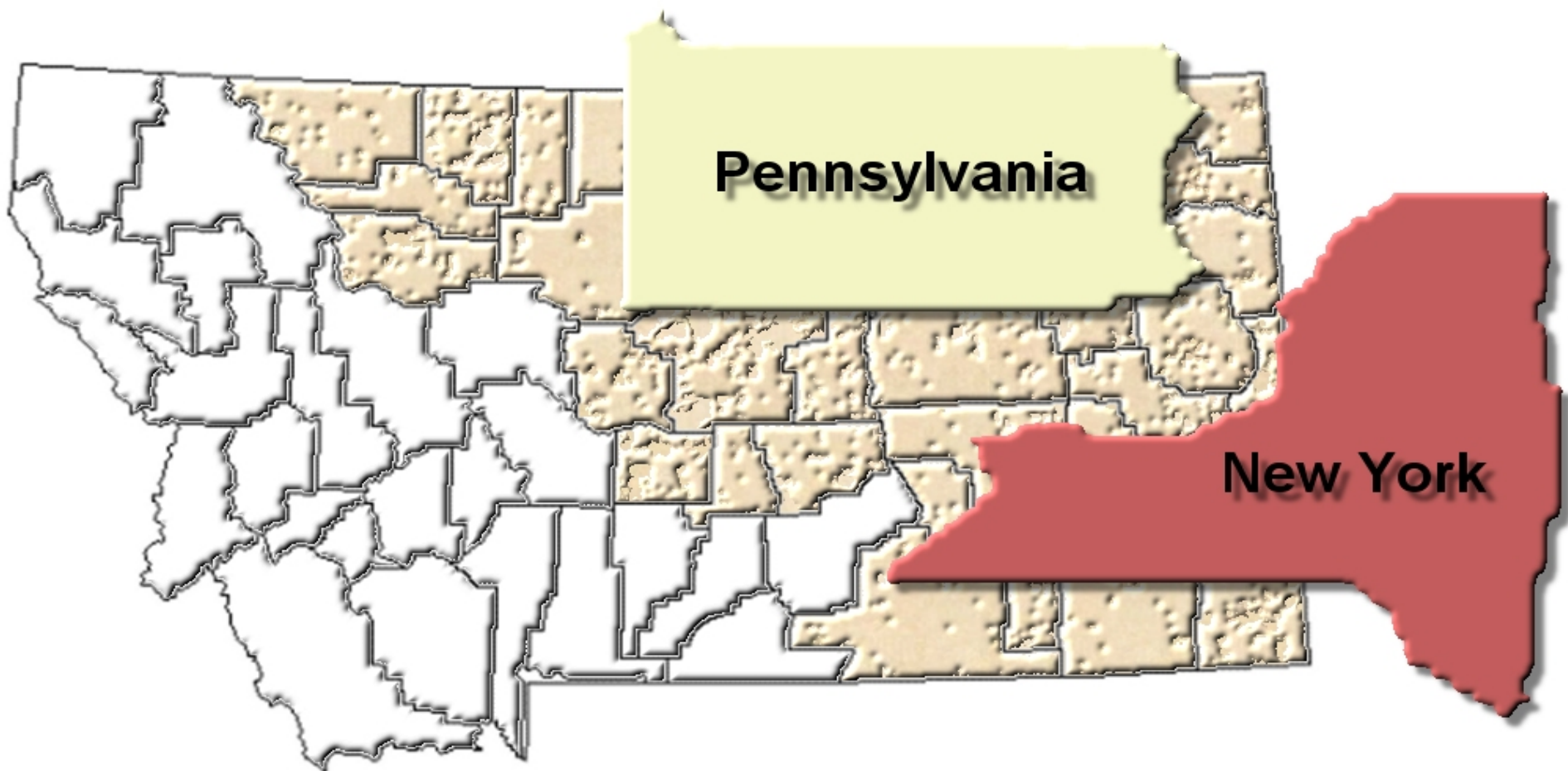
Tribal Land



Balance of State



WIRED Region



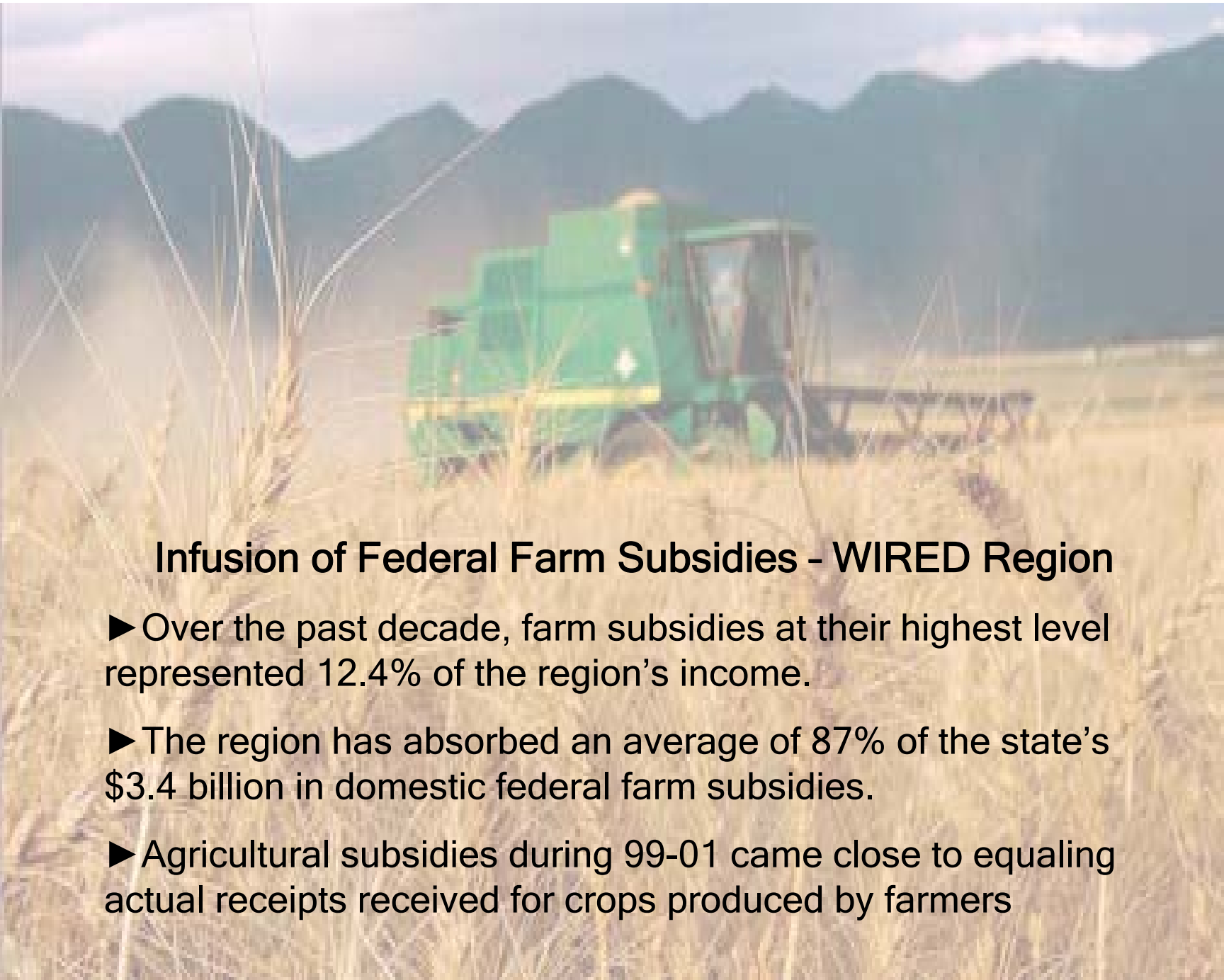
The WIRED region is 89,000 square miles
(just under PA and NY combined)



Average Wages & Salaries – bottom 20 US Counties, Of the 10 lowest ranking counties, 8 are in MT

Source: the Economist, December 8, 2005, "The Poorest Part of America."

- ❑ Although less than 20 percent of Montana's population resides in the WIRED region, 24 percent of Montanan's who live in poverty reside in the region.
- ❑ Among children residing in the WIRED region, the percent living in poverty is 140 percent of the US Average.



Infusion of Federal Farm Subsidies - WIRED Region

- ▶ Over the past decade, farm subsidies at their highest level represented 12.4% of the region's income.
- ▶ The region has absorbed an average of 87% of the state's \$3.4 billion in domestic federal farm subsidies.
- ▶ Agricultural subsidies during 99-01 came close to equaling actual receipts received for crops produced by farmers

As rural populations in Montana diminish, Reservation populations increase...



- ❑ Outlook, Montana school bus brings four kids to school. The school closed in June 2005, due to decreased population.
- ❑ St. Labre Indian School, on the Northern Cheyenne Indian reservation, experiences an increase in the number of graduates.

“While a startling number of rural, geographically isolated Montanans live in poverty, with less than 300 miles of Interstate highway, sporadic infrastructure, and only a handful of paved airports...



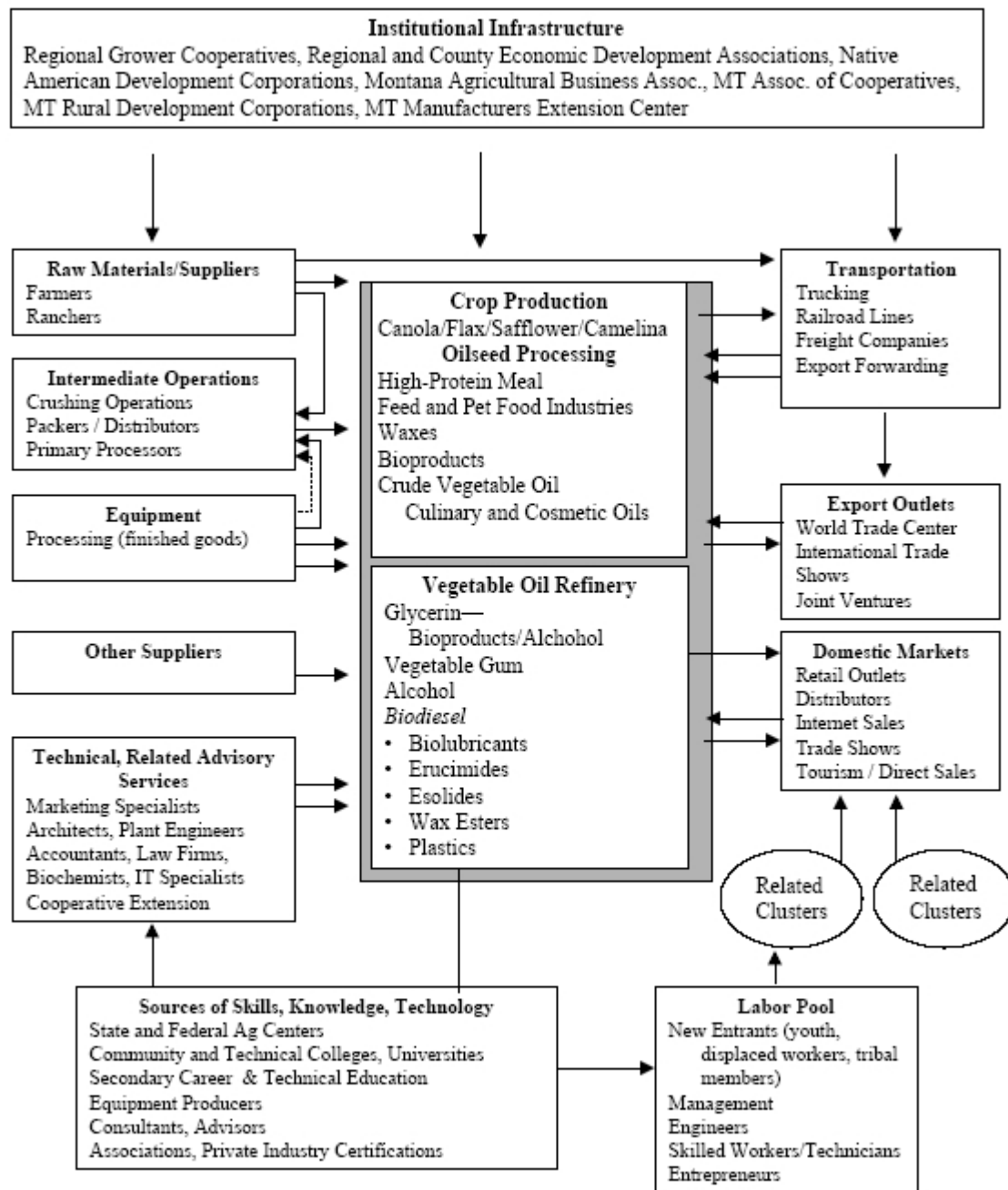
Photo credit: Billings Gazette



“They are also sitting on nearly 89,000 square miles of some of the greatest energy reserves in the nation, be it the wind blowing across the prairies, the crops growing from the ground, or the coal underneath.” – Governor Brian Schweitzer

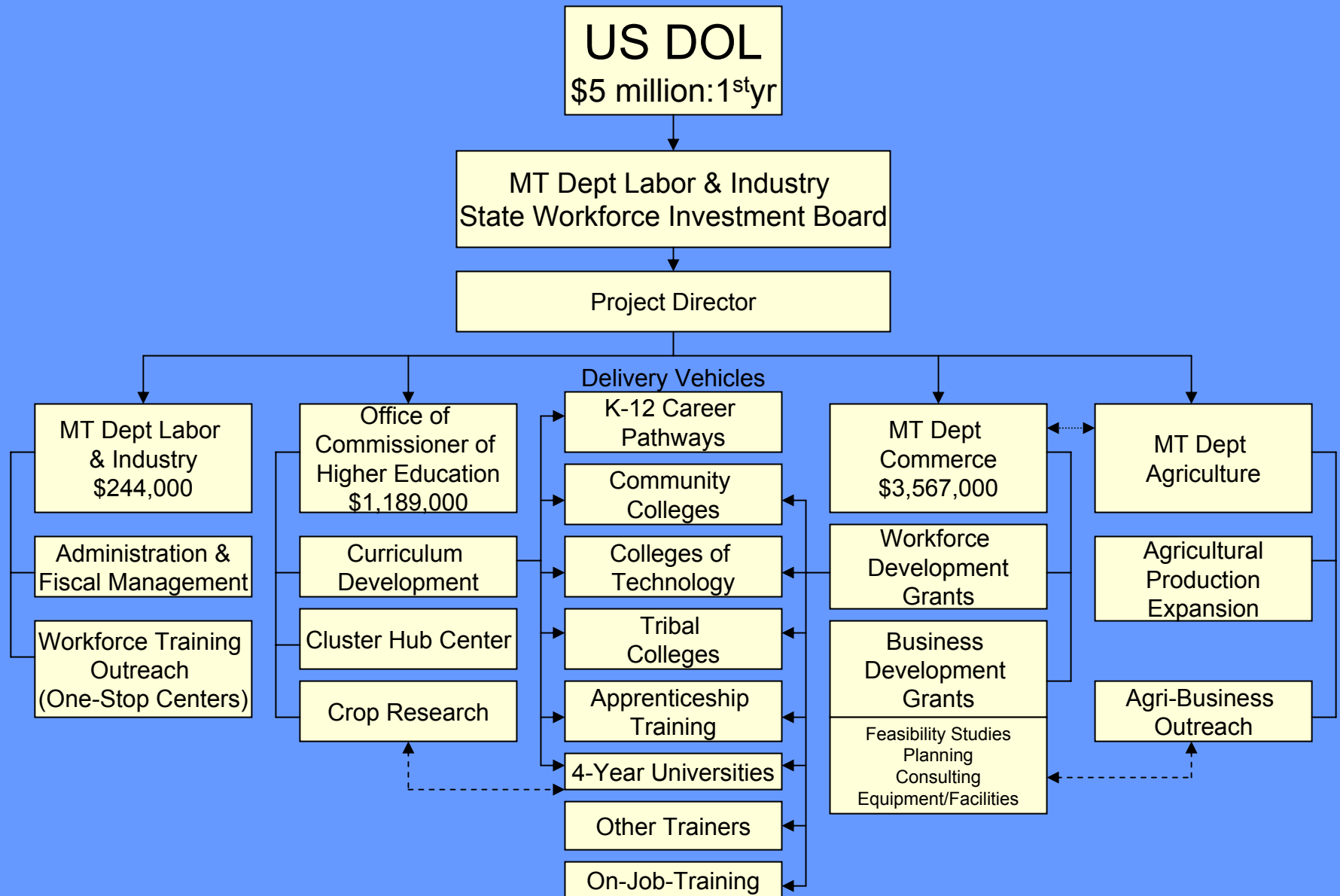
Photo credit: Billings Gazette

Bioproducts Cluster Model



Workforce Innovation in Regional Economic Development (W.I.R.E.D.)

The New Homestead Act: Montanans for Bio-Product Development



A Sampling of PARTNERS



MT's Rural
Development
Corporations





Vision: Shifting the region's agricultural base from being a predominately cash crop economy to one that is boosted by agricultural processing will enable the region to become economically viable and to compete in global markets.

Photo credit: Billings Gazette

Central & Eastern Montana – Montanans for Bio-Product Development



Governor Brian Schweitzer appointed the State Workforce Investment Board, comprised of private, public, and tribal representatives, in partnership with the Montana Department of Labor and Industry, to lead this project. It will spur the evolution of Montana's workforce through the creation of innovative biolubricant and bioproduct manufacturing embryonic clusters in the WIRED region of central and eastern Montana.

The identified WIRED region, encompassing 32 counties and six Indian Reservations, has historically relied heavily on agriculture as an economic force. Seven years of extreme drought has resulted in regional socio-economic trends comparable to the "dustbowl era" of the 1930's. These socio-economic trends include: an aging and declining population, wage and salary income that is both depressed and stagnant, a high prevalence of poverty, and an increasing reliance on federal farm subsidies for farm income. Montana must nurture an innovative value-added industry that benefits domestic agriculture and creates globally competitive enterprises resulting in high paying jobs in rural communities. Montana's manufacturing jobs pay an annual wage of approximately \$35,300 per worker compared to an average of \$27,800 for all Montana workers. In addition to high wages for workers, a regional input-output model shows that for every job created in an oilseed crushing plant, two additional jobs will be created in the WIRED region. Currently, less than 12% of Montana's manufacturing firms are located in eastern and central Montana.

The strength of rural Montana is the people – the diligent homesteader – and their love for the region. Through committed partnerships (Montana's citizens, state agencies, private businesses, investors, academic institutions, entrepreneurs, philanthropists, and Tribal leaders) the region will develop new directions for the future of rural Montana, incorporate best practices, and transform the rural Ag-economy including, but not limited to: 1) systems level curriculum roadmap with supporting course materials using the cluster as context; 2) delivery models that provide blended e-learning and instructor delivery; 3) Manufacturing Career Cluster model that provides students and incumbent workers the educational information to create a career pathway; 4) models for increasing collaboration with industry partners to develop competency-based modular training programs; 5) optimization of biolubricant production in existing industry; 6) expansion of existing establishment of oilseed processing and refining facilities; and 7) evaluation of new oil crops suitable for production in the arid climate of central and eastern Montana.

Governor Schweitzer declared the WIRED region to be primed for a “New Homestead Act,” as a means to reverse the erosion of central and eastern Montana communities. While a startling number of rural, geographically isolated Montanans live in poverty, with less than 300 miles of Interstate highway, sporadic infrastructure, and only a handful of paved airports, they are also sitting on nearly 89,000 square miles of some of the greatest energy reserves in the nation, be it the wind blowing across the prairies, the crops growing from the ground, or the coal underneath the ground. With advances in biofuels and renewables, the region is well positioned to revitalize the economy with energy development.